



Department of Justice

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FORMER BRISTOL-MYERS SQUIBB SENIOR EXECUTIVE PLEADS GUILTY FOR ROLE IN DISHONEST DEALINGS WITH THE FEDERAL GOVERNMENT

WASHINGTON — A former senior executive of Bristol-Myers Squibb Company (BMS), Andrew Bodnar, pleaded guilty for his role in BMS's dishonest dealings with the federal government relating to a patent deal involving the popular blood-thinning drug Plavix, the Department of Justice announced today. This plea agreement follows BMS's June 11, 2007, agreement to plead guilty and pay a \$1 million criminal fine – the maximum fine permitted by statute – for misleading the government about the Plavix patent deal. The Department said that the illegal actions of BMS and its executive threatened to reduce competition that could have lowered the cost of blood-thinning drugs sold to heart attack, stroke and other patients.

According to the court papers filed today in the U.S. District Court for the District of Columbia, in 2006, BMS and another company, Apotex, were engaged in litigation over the validity of the patent for Plavix and were negotiating a settlement of that litigation. At the time, BMS was subject to a separate consent decree – for unrelated conduct – with the Federal Trade Commission (FTC) requiring BMS to submit any proposed patent settlements for review and approval by the FTC. The FTC warned BMS that it would not approve a settlement of the Plavix litigation if BMS agreed not to launch its own generic version of Plavix that would compete against Apotex for generic sales. Notwithstanding these warnings, Bodnar, BMS's negotiator, made representations to Apotex to reassure it that BMS would not launch a generic version of Plavix if Apotex agreed to a settlement that would prevent Apotex from launching its Plavix generic until 2011. Bodnar pleaded guilty today for later falsely certifying to the FTC that he had not made these representations to Apotex.

“The prosecutions of BMS and its former senior executive, Andrew Bodnar, should send a strong message to the pharmaceutical community that attempts to undermine the federal government's critical role of ensuring Americans have access to life-saving drugs, like Plavix, at the most competitive prices will not be tolerated,” said Scott D. Hammond, Acting Assistant Attorney General in charge of the Department's Antitrust Division. “Those who attempt to mislead the federal government or undermine the integrity of its functions should expect to face criminal prosecution.”

Plavix, a patented pharmaceutical, remains the most widely prescribed blood-thinning drug in the world. Approximately 48 million Americans take Plavix daily to prevent potentially fatal blood clots. The drug was approved for sale in the United States in November 1997.

This case is part of an investigation conducted by the Antitrust Division's National Criminal Enforcement Section with the assistance of the New York Field Office of the FBI. Anyone with information about this matter should contact the Antitrust Division's National Criminal Enforcement Section at 202-307-6694.

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